Quality Assurance Agreement with Aerospace Supplier

between

ITM UNITEC GmbH

Kuchengrund 19

71522 Backnang

Germany

(hereinafter referred to as the “Customer“)

and

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(hereinafter referred to as the “Supplier“)

Preamble

This Quality Assurance Agreement with Aerospace Suppliers is a contractual foundation of all technical and administrative requirements to manage and control highest level of quality and reliability in terms of products and reliability.

Our demand is to fulfill customer expectations and to maintain the quality objective of zero defects to represent our qualification and competitiveness when cooperating with ITM UNITEC GmbH.

1.0 Purpose

By means of this quality assurance agreement (in the following referred to as “QAA”), the requirements of EN 9100 are implemented.
If the supplier fails to meet one or several of these requirements, they must inform purchasing department of ITM UNITEC GmbH (in the following referred to as “ITM”) in written form about such circumstances to initiate the corresponding exclusions.
The supplier ensures a long-term availability for raw materials of at least 6 months towards ITM. They will also inform ITM about any discontinuations within due time of minimum 2 months in advance.

2.0 Business application area

This QAA applies to aerospace suppliers of ITM and their subcontractors for all performances and services rendered
The quality assurance agreement (QAA) of ITM is an integrated and binding part for all contracts. Between suppliers and ITM.

3.0 Terminology / abbreviations

QM Quality management
QAA Quality assurance agreement
QAR Quality assurance requirements
FAI First sampling (first article inspection report)
FMEA Failure mode and effects analysis

4.0 Purchasing information for the product to be supplied:

The specification of product or service delivered by the supplier to ITM is described by means of

- documents (drawings, datasets, material test certificates, etc.)
- Additional requirements indicated in the order
- Deviations from the documents indicated in the order
- General standards or regulations, e.g. EN, DIN, DVS, VDE, etc.

If, during processing, the supplier identifies any requirements which have not been indicated by ITM but needed for the stipulated or intended use, they will inform ITM accordingly.

5.0 Requirements for approval of products, procedures, processes and equipment

The supplier reviews all order documents received by ITM to ensure and implement the requirements to all deliveries and performances with requested order-specifications.
They plan and implement production and perform under controlled conditions.
Procedures, processes, production facilities, tools, programs and equipment must be qualified and approved before first usage, thereafter maintenance and testing procedures must apply in specified intervals according to the procedure instructions and/or product descriptions.
The supplier must implement suitable worksheet to verify and document necessary maintenance sequences and treatment processes.
The production order is stipulated by a first sampling inspection report and, subsequently, must not be modified without the approval by ITM.
For the control of risk mitigation measures and for safeguarding potential error sources, the supplier applies suitable methods according to the state of the art (e.g. FMEA, 5-Why, Ishikawa, fault tree analysis, etc.).

Quality Assurance Agreement for Aerospace Suppliers, technical equipment and documentations are mandatory for process and production flow and must be clarified before order placement.
The supplier implements corresponding backup solutions, emergency plans and capacity safeguarding.
Durable consumer goods and consumables, such as water, compressed air and chemical products, must be monitored and steered to the same extent which they impact the product quality.
Production and inspection operations will be performed in a verifiable manner, as planned or otherwise documented and approved.
Product must be securely packed to avoid damages during transportation. If necessary, the product must be protected against damage by environmental impacts.
If storage time is limited this need to be indicated either on packaging boxes and/or the product itself.

6.0 Requirements to staff qualifications

Staff executing work which impact product quality must be skilled and experienced in this respect.
Training course records about employee skills and experience need to be documented.
The technical facilities need to be maintained and adjusted by expert staff.
Staff deployed for specific processes must be qualified verifiably.
Employees must be aware of their value contribution to the product and/or service compliance, contribution to the product safety as well as the importance of ethical behavior.

7.0 Requirements to the quality management system

The supplier maintains a quality management system according to AS/EN 9100,
as a minimum requirement however quality management according to AS/EN ISO 9001 is mandatory which need to be certified by an accredited certification institute.
The certificate will be provided to ITM unsolicited latest upon conclusion of the contract.
If these conditions are not met (e.g. due to a withdrawal of the certificate), the purchasing department of ITM must be informed immediately.

8.0 Designation or accurate identification as well as the respective issue of specifications drawings, process requirements, test specifications and other applicable technical data

All documents and records must be labelled and steered in accordance the latest version and modifications before production start.
All documents must be well legible and easily identifiable.
Records must be stored at a safe location with easy access to ITM or their authorities.

9.0 Requirements with respect to testing, inspection, examination and related instructions

The supplier shall subject their deliveries and services to a factory inspection (incoming goods, production, process and final inspection) and rectify any detected defects.
This need to be documented accordingly and transferred upon request.
For drawing parts, ITM reserves the right to request a quality management plan if ITM's quality management deems this necessary.
The supplier shall carry out a suitable inspection planning (professionally and with respect to dates).
Implemented inspections shall be documented with the date by the inspector in a suitable location.
Upon request, ITM has the right to participate such an inspection.

The supplier uses suitable testing and measurement equipment and systematically check the compliance with the admissible tolerances of the testing and measurement equipment (calibration). If specific ITM quality requirements exist, this need to be taken into consideration by the supplier (e.g. material certificates or similar).

10.0 Requirements for First Initial Samples

The first article initial sample report (FAI) is implemented according to EN 9102.
First Initial Samples, are used to verify all technical details like design, dimensions, tolerances, material and further specification requirements are correctly understood, allocated, to proof a reliable series production is implemented. A FAI will be provided upon request in the order. A FAI for drawing parts / specification parts will be provided during initial production correspondingly.
Any deviations will be regulated in the order.
In the event of major modifications to procedures, tools or setups, long term delivery interruption for more than one year or relocation of the production facilities, a new FAI is required.

FAI minimum requirements are: -
Inspection of the product against the drawing records (e.g. material certificate)
Verification of specific processes (e.g. welding, soldering, gluing, heat treatment, surface treatment, etc.), for instance by destructive / non-destructive testing. –
Validation of devices / gauges and product-specific tools (e.g. special wrenches, contour cutter, adapter, etc.) and verification by means of inspection protocols. –
Validation of inspection and application software for the production process (CNC and measurement programs).

11.0 Control of defective products, Detection of defects at Supplier`s premises.

The supplier implements suitable precautions directly or indirectly, exclude a delivery of discarded or non-rectified and rejected performances to ITM.
However, if the delivery of deviating parts becomes necessary for whatever reasons this may be allowed only with ITM`s written exceptional approval which must be attached outside the delivery. and/or labelled on each box to avoid mistaken identity.
The supplier takes appropriate precautions to prevent wrong deliveries and circulations of counterfeited parts. Only original parts may be delivered to ITM
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12.0 Compulsory reporting of potentially non-confirming products

Any supplier`s modification request to the product or process are subject to written approval by ITM and applies to all modifications upon the implementation of an FAI as well and all deviations from records are subject to written approval. Generally, all modifications must undergo a risk assessment, even if they are not notifiable according to the PPAP manual.

13.0 Access rights to ITM, their customers and aviation authorities including all facilities product related

The supplier grant ITM, their customers as well as the regulatory authorities, e.g. BWB, LBA, the right to inspect the effectiveness of Supplier`s quality management system (for instance, process, procedure or product audits) on site at all times and to participate the performance objects.
If any defects and/or improvement potentials occur, the supplier undertakes active the error rectification/optimization immediately and will provide all necessary documents for inspection upon request. This requirement must be also forwarded to any involved subcontractors.

14.0 Requirements towards suppliers and/or service providers and their subcontractors

If case the supplier partially or completely relocate production to a subcontractor, it will require prior ITM`s approval. The supplier is obliged to forward the entire QAA to the subcontractor if commissioned.
Termination of subcontractors must be communicated and approved by ITM.
The supplier must install and implement suitable controls at their own premises or at the premises of the subcontractor to ensure that the requirements of this QAA are met. The supplier frequently evaluates the delivery performance of the subcontractor, including processes, products and services and in time deliveries.
This include inspections and periodic reviews if an increased risk of non-conformity is given, including the existence of fortified parts.
If verification activities are transferred to subcontractors, the supplier document the requirements and scope of the transfer in written form which will be monitored on regular basis.
During the acceptance of the products by the supplier, the supplier assures the use of acknowledged statistical methods
For specific processes, subcontractors may only use sources of procurement which have been approved by ITM
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15.0 Requirements to corrective measures of the supplier

The supplier must assure necessary corrective measures and are communicated to ITM through written statements within 14 calendar days after detection. Such statements include cause of the defect, analysis, corrective measures and implementation date.

16.0 Requirements to confidentiality

The supplier solely use the documents and knowledge which they obtain in connection with the present requirements and in the framework of the cooperation for the purposes of this requirements and shall keep them confidential with the same degree of diligence towards third parties which they would apply to corresponding own documents and knowledge, irrespective of the type of transfer.
This obligation shall not apply to documents and knowledge which are commonly known or have already become known to the supplier without obligation to maintain secrecy.
If the supplier refers to one of these exceptions, he will verify it towards ITM.
The supplier ensures a signed non-disclosure agreement is agreed with their subcontractors which may be seen any time upon ITM request

16.0 Requirements to documentation

For all delivered parts/services, traceability is required which means all production procedures and processes must be traceable by means of suitable records and, if applicable, labelling of parts.
All materials must be verifiable and allocable anytime and explicit to the material testing certificates.
The compliance of the product with the requirements must be verifiable all times.
Generally, the documentation must be available for a period of 50 years upon delivery of the last part.
This applies to the production order / job ticket, inspection reports, FAI, factory certifications of all materials, measurement logs, delivery notes.
Documents and record may only be destroyed after ITM`s final approval.

17.0 Insurance

The supplier guarantees ITM a current valid insurance policy with sufficient coverage for the entire risks resulting from present agreement.
Upon request supplier will provide ITM a copy of the policy.

18.0 Miscellaneous

This agreement is subject to the laws of the Federal Republic of Germany exclusively, under exclusion of any rules and regulations governing conflict of laws.
The place of jurisdiction is Stuttgart.

Customer		**Supplier**	
_____	_____	_____	_____
Place	Date	Place	Date
_____		_____	
Signature		Signature	
_____		_____	
Printed characters		Printed characters	